

**BOB F. ANDERSON, PE, INC.**  
**PETROLEUM ENGINEERS & CONSULTANTS**  
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April 29, 2004

Honorable James H. Welsh,  
Commissioner of Conservation  
Office of Conservation  
P. O. Box 94275  
Baton Rouge, LA 70804-4275

**Re: APPLICATION FOR PUBLIC HEARING**  
Proposed Substitute Unit Well  
Hosston Zone  
HOSS RA SUJJ  
Logansport Field  
DeSoto Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **CYPRESS OPERATING, INC.**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Zone, Logansport Field, DeSoto Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize their DeSoto LP No. 1 Well as a substitute unit well for the HOSS RA SUJJ, in exception to the spacing provisions of the 28-R Series of Office of Conservation Orders, for the production of gas and condensate from the Hosston Zone, Logansport Field, DeSoto Parish, Louisiana, such unit and well shown on the attached plat and made a part hereof.
2. To find that a substitute unit well at the location shown on the attached plat will assist in draining additional hydrocarbons beneath the unit designated HOSS RA SUJJ that cannot be drained by any existing well within the unit.
3. To consider and cover such other matter as the Commissioner of Conservation may deem pertinent and appropriate.

The Hosston Zone in the Logansport Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 28-R, effective August 1, 1969 and as amended by Office of Conservation Order No. 28-S-102, effective July 8, 1977.

Hon. James H. Welsh  
Logansport Field  
2

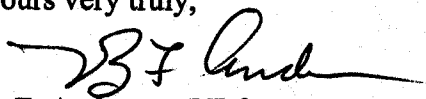
The pertinent data pertaining to this application is available for inspection at the Offices of B. F. Anderson, 400 Travis Street, Suite 209, Shreveport, Louisiana 71101-3110. Any person wishing to inspect such data should call B. F. Anderson at 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent, that is otherwise not available from the Office of Conservation, can be obtained at the expense of the requesting party.

The subject matter of this application does not require a pre-hearing conference.

Attached hereto and made a part of, are plats showing the applicant's proposal and a list of the names and addresses of the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this application is being furnished. Pursuant to the Revised Rules of Procedure, the list of parties is being furnished to the Commissioner of Conservation and to the District Office of Conservation. The list of parties will be provided to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and the Interested Parties as shown on the attached list. Upon receipt of the legal notice, it will be posted and will be published in a newspaper in the area in which the field is located.

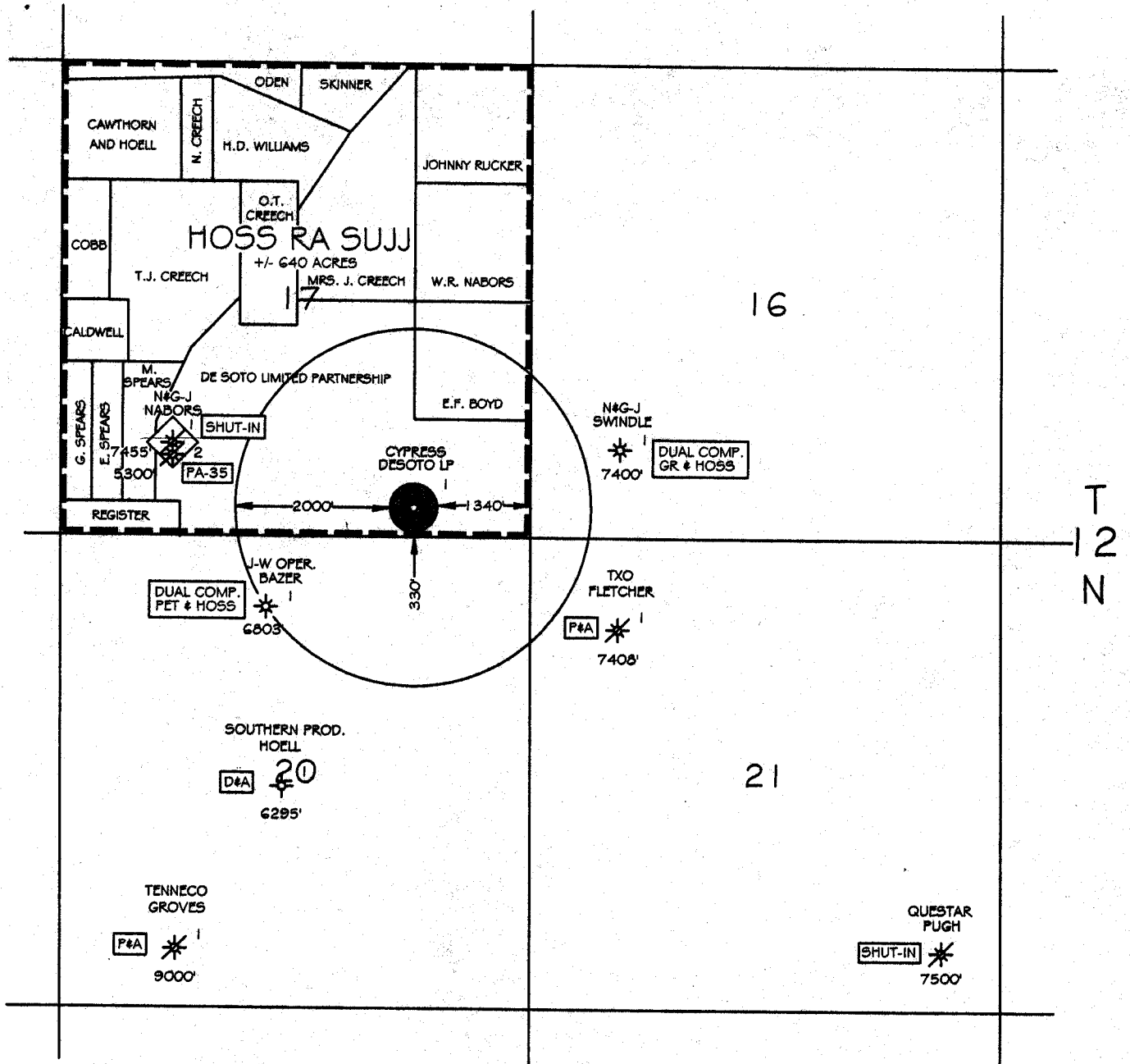
Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

Yours very truly,

  
B. F. Anderson, PE for  
CYPRESS OPERATING, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation  
Interested Owners, Represented Parties and Interested Parties  
Cypress Operating, Inc.

R 15 W



--- APPROVED SAND UNIT (HOSS RA SUJJ)



PROPOSED SUBSTITUTE FOR HOSS RA SUJJ



APPROVED UNIT WELL (HOSS RA SUJJ)  
SHUT IN PRODUCTIVE - FUTURE UTILITY

0' 500' 1000' 2000' 3000'

CYPRESS OPERATING, INC.

GRAND CANE FIELD  
DE SOTO PARISH, LOUISIANA

PROPOSED SUBSTITUTE UNIT WELL  
AT AN EXCEPTIONAL LOCATION  
HOSS RA SUJJ; DESOTO LP NO. 1

EXHIBIT NO. 1